

## Message Text

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60

ACTION INR-10

INFO OCT-01 EUR-25 EA-11 ADP-00 EB-11 CIAE-00 NSAE-00

RSC-01 INRE-00 TRSE-00 SS-14 RSR-01 /074 W

----- 055817

R 291658 Z MAR 73

FM AMEMBASSY BONN

TO SECSTATE WASHDC 4189

INFO AMEMBASSY LONDON

AMEMBASSY PARIS

AMEMBASSY ROME

AMEMBASSY TOKYO

USMISSION EC BRUSSELS

USMISSION OECD PARIS

C O N F I D E N T I A L BONN 4656

E. O. 11652: GDS

TAGS: EFIN, GW

SUBJECT: CURRENT INTERNATIONAL FINANCIAL SITUATION

( C- EB-57203)

REF: STATE 54202

1. FOR SIMILAR REASONS AS THOSE CITED BY OTHER ADDRESSEE  
POSTS OF REFTEL, WE HAVE NOTHING TO ADD AT THIS TIME TO PRE-  
VIOUS REPORTING BY THIS AND OTHER POSTS REGARDING QUESTIONS  
POSED IN PARAGRAPHS 2, 3, 6 AND 7 OF REFTEL.

2. FOLLOWING PARIS EXPANDED G-10 MEETING, GERMAN PRESS,  
INDUSTRIALISTS AND PRIVATE BANKERS HAD SOMEWHAT EXAGGERATED  
IMPRESSIONS ( CAREFULLY FOSTERED BY THE GERMAN FINANCE MINISTRY)  
OF DEGREE OF CHANGE IN US ATTITUDE BROUGHT ABOUT BY THAT  
MEETING AND PRIOR BILATERAL CONSULTATIONS. FINANCIAL COMMUNITY  
IS NOW COMING TO BELIEVE THAT CHANGE IN US ATTITUDES MUCH LESS  
RADICAL THAN THEY HAD INITIALLY ASSUMED BOTH BECAUSE US NOT  
NEARLY AS " NON- COOPERATIVE" PRIOR TO PARIS MEETINGS AS IT HAD  
BEEN FASHIONABLE IN EUROPE TO CLAIM AT THE TIME AND BECAUSE  
ON READING THE FINE PRINT NON- GOVERNMENTAL FINANCIAL COMMUNITY  
IS UNABLE TO DISCERN ANY FIRM US COMMITMENTS FOR CHANGES IN  
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FUTURE INTERVENTION POLICY, ETC. GENERAL MOOD IS ONE OF " WAIT AND SEE" WITH A GOOD DOSE OF SKEPTICISM REGARDING FUTURE OF COMMON FLOAT. GOVERNMENT AND BUNDESBANK OFFICIALS ON THE OTHER HAND ARE QUITE OPTIMISTIC THAT SNAKE OF THE 6 CAN BE MAINTAINED AND THAT IT WILL NOT MOVE VERY GREATLY VIS- A- VIS THE DOLLAR IN FORESEEABLE FUTURE.

3. LATEST CRISIS HAS INCREASED RECEPTIVITY TOWARD GREATER EXCHANGE RATE FLEXIBILITY IN GENERAL BUT BUSINESS IN PARTICULAR IS GREATLY REASSURED BY HAVING DM AT LEAST FOR THE TIME BEING TIED IN WITH THE OTHER 5 IN THE EC SNAKE WHICH NOT ONLY PROVIDES RELATIVE STABILITY VIS- A- VIS GERMANY' S GREATEST EXPORT MARKETS BUT ALSO IS INTERPRETED TO LIMIT MOVEMENT AGAINST THE DOLLAR BELOW WHAT MIGHT HAVE HAPPENED IN A UNILATERAL DM FLOAT.  
HILLENBRAND

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\*\*\* Current Handling Restrictions \*\*\* n/a

\*\*\* Current Classification \*\*\* CONFIDENTIAL

## Message Attributes

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**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:**  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 29 MAR 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** garlanwa  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Document Unique ID:** 00  
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**Film Number:** n/a  
**From:** BONN  
**Handling Restrictions:** n/a  
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**Subject:** CURRENT INTERNATIONAL FINANCIAL SITUATION ( C- EB-57203)  
**TAGS:** EFIN, GW  
**To:** EC BRUSSELS  
INR  
LONDON  
OECD PARIS  
PARIS  
ROME  
SECSTATE WASHDC

TOKYO

**Type:** TE

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